

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sHB-5354

AN ACT CONCERNING MEDICAID PROVIDER AUDITS.

As Amended by House "A" (LCO 5579), Senate "A" (LCO 6136)

House Calendar No.: 297

Senate Calendar No.: 519

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Social Services, Dept.	GF - Precludes Savings	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill increases the threshold at which a finding of overpayment can be based on extrapolation, from 1.75% to 2.75% of total claims paid to the provider for the audit period. This precludes savings associated with overpayment recoupments that the Department of Social Services (DSS) would otherwise achieve through reduced Medicaid payments to audited providers. Based on FY 25 audit data, this is anticipated to result in a loss to DSS of up to \$105,000.

House "A" strikes the language in the underlying bill, removing provisions that limit recoupment amounts to the total associated professional dispensing fee paid, resulting in a loss of recoupments to DSS.

Senate "A" strikes the language in the underlying bill as amended by House A and the associated impact and results in the fiscal impact noted above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to audit findings and related recoupments.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.